

Mission

To provide comprehensive planning and analysis of the long-range capital needs of Waukesha County. This process contributes to the fiscal review and prioritization of such capital projects as facility development (new construction and improvements), infrastructure maintenance, technology, major equipment and systems installations.

Policy

A capital project is defined as an active or proposed non-recurrent expenditure in one or more specified plan year of an amount usually in excess of \$100,000 for a permanent fixed asset (building, land, improvement, or equipment installation) which has a useful life or extends the useful life of an existing fixed asset, usually in excess of seven years.

This budget maintains the emphasis on planning and funding for infrastructure and capital improvements projects as they are needed rather than reacting to crisis situations. New projects should be requested in the last year of the five-year plan, unless circumstances require a more immediate time frame. County Code 2-410 (c) requires design and implementation for larger projects to be, at a minimum, in separate calendar years. This project methodology further identifies documentation and justification requirements to support the project from the first year included in the plan to project completion. Justification includes costs vs. benefits and project need.

A long range goal to managing overall debt service is to maintain annual tax levy effort to fund capital projects at a minimum of 20 percent of net capital expenditures. This "down payment", reduces the need to borrow additional funds and manages debt service growth in relationship to the operating budget.

In this section under "2006 Capital Projects and Operational Impact", is a summary of operational impacts resulting from implementation of the capital improvement program. Also, in this section are individual capital project sheets, which detail operational impacts. Impacts associated with new facility operations are included in planning for future funding needs for County operations, but are only included in operating department budgets in the year they will be incurred.

Financial Summary

	2004 Budget	2005 Budget	2006 Budget	Change from 2005 \$	%
Expenditures	\$28,344,370	\$29,727,500	\$21,184,700	(\$8,542,800)	-28.7%
Revenues	\$2,630,468	\$4,035,000	\$1,206,600	(\$2,828,400)	-70.1%
Fund Balance (a)	<u>\$6,260,570</u>	<u>\$5,855,000</u>	<u>\$3,120,000</u>	<u>(\$2,735,000)</u>	<u>-46.7%</u>
Net Expenditures	\$19,453,332	\$19,837,500	\$16,858,100	(\$2,979,400)	-15.0%
Other Financing Sources:					
Investment Earnings	\$700,000	\$600,000	\$525,000	(\$75,000)	-12.5%
Debt Issue Proceeds	<u>\$14,000,000</u>	<u>\$14,400,000</u>	<u>\$12,000,000</u>	<u>(\$2,400,000)</u>	<u>-16.7%</u>
Tax Levy	\$4,753,332	\$4,837,500	\$4,333,100	(\$504,400)	-10.4%
Levy as % Of Net Capital Expenditures	24.4%	24.4%	25.7%		

(a) Fund balance appropriations in 2006 include general fund balance of \$250,000 and capital project fund balance of \$60,000. Proprietary fund balance totals \$2,810,000 and includes \$810,000 from internal service operations and \$2,000,000 from enterprise operations. The \$2,000,000 is a loan from the Materials Recycling Fund to be repaid in the future.

Capital Projects

Capital Projects

Summary

	2004 Budget	2005 Budget	2006 Budget	05-06 Change
EXPENDITURES				
Justice and Public Safety	\$10,789,570	\$12,690,000	\$500,000	(\$12,190,000)
Health and Human Services	\$725,000	\$0	\$110,000	\$110,000
Parks, Env, Edu & Land Use	\$400,000	\$2,772,500	\$1,271,700	(\$1,500,800)
Public Works	\$14,519,800	\$12,550,000	\$18,038,000	\$5,488,000
General Administration	\$1,080,000	\$1,160,000	\$135,000	(\$1,025,000)
County Wide Projects	\$700,000	\$405,000	\$1,025,000	\$620,000
Financing Costs	\$130,000	\$150,000	\$105,000	(\$45,000)
Total Expenditures	\$28,344,370	\$29,727,500	\$21,184,700	(\$8,542,800)

REVENUE

SACWIS Revenue	\$75,000	\$0	\$50,000	\$50,000
Urban Areas Security Initiative (UASI) Grant		\$650,000	\$0	(\$650,000)
Homeland Security Grant	\$120,000	\$40,000	\$0	(\$40,000)
Lake County Trail Stewardship		\$0	\$306,600	\$306,600
North Lake Management District	\$75,000		\$0	\$0
Developer Revenue	\$400,000	\$0	\$0	\$0
Washington County		\$300,000	\$0	(\$300,000)
Municipal Revenue-Communcations Center	\$255,468			\$0
CMAQ		\$500,000	\$0	(\$500,000)
County Highway Improv Program (CHIP)		\$645,000	\$0	(\$645,000)
CHIP-Discretionary		\$500,000	\$0	(\$500,000)
General Transportation Aids	\$750,000	\$600,000	\$200,000	(\$400,000)
State Shared revenue	\$355,000	\$0	\$0	\$0
State Computer Equipment Exemption	\$600,000	\$800,000	\$650,000	(\$150,000)
Subtotal Revenues	\$2,630,468	\$4,035,000	\$1,206,600	(\$2,828,400)

FUND BALANCE

Golf Course Fund		\$425,000	\$0	(\$425,000)
Radio Services Fund	\$45,000	\$0	\$0	\$0
Central Fleet		\$135,000	\$0	(\$135,000)
Human Services Fund	\$650,000			\$0
Federal Prisoner Revenue, Prior Year General Fund	\$770,570	\$0	\$0	\$0
Collections Fund	\$250,000	\$0	\$45,000	\$45,000
Airport Fund		\$0	\$0	\$0
Records Management		\$195,000	\$215,000	\$20,000
Jail Assessment Fees, Prior Year General Fund	\$3,600,000	\$0	\$0	\$0
Land Records Fund		\$800,000	\$0	(\$800,000)
End User Technology Fund	\$500,000	\$50,000	\$300,000	\$250,000
Telecommunications Fund		\$0	\$250,000	\$250,000
General Fund	\$0	\$3,000,000	\$250,000	(\$2,750,000)
Capital Project Fund	\$445,000	\$1,250,000	\$60,000	(\$1,190,000)
Material Recycling Fund-Loan		\$0	\$2,000,000	\$2,000,000
Subtotal Fund Balance	\$6,260,570	\$5,855,000	\$3,120,000	(\$2,735,000)

Investment Earnings	\$700,000	\$600,000	\$525,000	(\$75,000)
Debt Proceeds	\$14,000,000	\$14,400,000	\$12,000,000	(\$2,400,000)

Tax Levy	\$4,753,332	\$4,837,500	\$4,333,100	(\$504,400)
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PROJECT TITLE	NO.	Project Cost	Fund Balance & Revenue Applied		Net \$'s Needed
PUBLIC WORKS- BUILDINGS					
UWW NORTHVIEWHALL ROOM 133	9919	\$64,000			\$64,000
UWW LWR NORTHVIEW HALL REFURB	9920	\$252,000			\$252,000
JUSTICE FACILITY PROJECT PHASE II	200326	\$500,000			\$500,000
SUBSTATION SALT MITIGATION	200610	\$64,000			\$64,000
COURTHOUSE AHU REPLACEMENT	200623	\$55,000			\$55,000
DATA CENTER RELOCATION	200618	\$105,000			\$105,000
PUBLIC WORKS - HIGHWAYS					
CTH Y, I-43 - CTH I	9903	\$2,100,000			\$2,100,000
CTH X, STH 59 - HARRIS HIGHLANDS	9904	\$519,000			\$519,000
CTH Q, COLGATE - STH 175	9115	\$7,170,000			\$7,170,000
CTH O, CTH I to Hackberry Lane	200104	\$4,125,000			\$4,125,000
CTH SR, Fox River Bridge & Appr.	200420	\$100,000			\$100,000
CTH H, FOX RIVER BRIDGE	200202	\$34,000			\$34,000
CTH K, SR, Weyer Road Study	200625	\$200,000			\$200,000
BRIDGE AID PROGRAM	9131	\$160,000			\$160,000
REPAVING PROGRAM 2002-2006	9715	\$2,190,000	\$200,000	(a)	\$1,990,000
CULVERT REPLACEMENT PROGRAM	9817	\$100,000			\$100,000
SIGNAL/SAFETY IMPROVEMENTS	200427	\$800,000			\$800,000
AIRPORT					
NO PROJECTS IN 2006					
PARKS AND LAND USE					
EXPO CENTER COMPLIANCE/MAINTENANCE	200501	\$249,000			\$249,000
PVMNT MGMT PLAN IMPROVEMENTS	9703	\$400,000			\$400,000
LAKE COUNTRY TRAIL PHASE 3	200324	\$600,700	\$306,600	(b)	\$294,100
MUSKEGO PARK MAINTENANCE BUILDING	200503	\$17,000			\$17,000
MENONONEE PARK MAINTENANCE BUILDING	200504	\$5,000			\$5,000
HEALTH & HUMAN SERVICES-INFORMATION SYSTEMS					
IMPLEMENT HHS AUTOMATED SYSTEM	200109	\$110,000	\$110,000	(c)	\$0

Capital Projects 2006 Capital Projects

Project Listing

PROJECT TITLE	NO.	Project Direct Cost	Fund Balance & Revenue Applied		Net \$'s Needed
DEPARTMENT OF ADMINISTRATION-INFORMATION SYSTEMS					
ELECTRONIC DOCUMENT MGMT SYSTEM	200027	\$90,000	\$90,000	(d)	\$0
UPGRADE COLLECTIONS (CUBS) SYSTEM	200327	\$45,000	\$45,000	(e)	\$0

COUNTY-WIDE PROJECTS

CITRIX SERVER DEVELOPMENT	200413	\$145,000			\$145,000
FIBER & WIRELESS TO COUNTY FACILITIES	200206	\$150,000	\$150,000	(f)	\$0
TELECOMMUNICATIONS SYSTEM	200207	\$250,000	\$250,000	(g)	\$0
COUNTY WIDE CASHIERING	200414	\$225,000	\$125,000	(h)	\$100,000
RE-ENGINEERING IT INFRASTRUCTURE	200624	\$150,000	\$150,000	(i)	\$0
CONSOLIDATION OF NETWORK OPERATING SYSTEMS	200621	\$105,000			\$105,000

FINANCING (Includes Arb Rebate/Discount)		\$105,000			\$105,000
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EXPENDITURES		\$21,184,700	\$1,426,600		\$19,758,100
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- (d) Records Management Fund Balance
- (e) Collection Fund Balance
- (f) End User Technology Fund Balance \$150,000
- (g) Telecommunications Fund Balance
- (h) Records Management Fund Balance
- (i) End User Technology Fund Balance

ADDITIONAL REVENUES-GENERALLY APPLIED

STATE COMPUTER EQUIPMENT EXEMPTION	\$650,000
MRF FUND BALANCE LOAN *	\$2,000,000
GENERAL FUND BALANCE	\$250,000
DEBT ISSUE PROCEEDS	\$12,000,000
INVESTMENT INCOME EARNED ON DEBT ISSUE	\$525,000
TOTAL OTHER FUNDING SOURCES	\$15,425,000
TAX LEVY	\$ 4,333,100

* Funds will be repaid from funds designated in the General Fund beginning no later than the year in which projections indicate that at least three years of dividend payment to the 25 charter municipalities can not be sustained; or at such time that the State Recycling grant is eliminated; or ten years from the transfer date; whichever is earlier.

GENERAL SUMMARY

The 2006 capital project expenditures decreases almost \$8.5 million or 28% from the 2006 Adopted Budget to \$21.2 million. These increases are identified by functional area below.

Justice and Public Safety

With the completion of the Justice Facility Jail expansion project, funding of Justice and Public Safety functional area capital projects decreases \$12.2 million to \$500,000. A second phase of the expansion was to begin in 2006 to demolish the existing main jail (loss of 114 beds) and construct a new secure courts building. This project is being delayed one year to provide opportunity to consider alternative design options; options will also consider the implementation of the Courthouse/Administration security measures to control access entrances. However the design and construction of an intake court will occur in 2006 with the budget of \$500,000.

Health and Human Services

The 2006 budget for \$110,000 will complete a project to automate the A/R billing, integration of a package solution with the business environment, completion of the HIPAA compliance requirements, and address State SACWIS integration. The project will also identify future direction for Human Services technology projects.

Parks, Environment, Education and Land Use

Projects in this functional area total almost \$1.3 million, a decrease of almost \$1.5 million from the 2005 budget.

A bikeway extension project will use a State Stewardship Development Grant of \$306,000 to partially fund the \$600,000 project on a 50/50 cost share. The project will complete the last 4.8 miles of a total 14.5-mile trail from Waukesha to Oconomowoc. Second year funding for Exposition Center of \$249,000 in 2006 continues to address ADA compliance requirements, maintenance needs, energy efficiency recommendations, plumbing code updates, pavement management, safety and risk issues, and infrastructure repairs. Planning for the replacement of maintenance buildings at Menomonee and Muskego Parks will cost \$22,000. The Parks pavement management plan continues with the \$400,000 funding level

Public Works

Project expenditures in the Public Works functional area total \$18.0 million, an increase of almost \$5.5 million from the 2005 Adopted Budget.

Facilities improvements at UW-Waukesha Campus Building owned by the County decrease almost \$2.5 million in this budget. This is offset with planned increases of almost \$8.0 million for Highway construction funding.

Buildings

Two projects at the UW-Waukesha campus for \$316,000 complete an almost \$2.4 million project to renovate a lecture hall and labs at Northview Hall. Additional construction funding is needed based on rising building material costs in global markets. The project will update floors, ceilings, fixtures and furnishings and building wiring to allow the use of the latest advances in technology and pedagogy. Classrooms and rest rooms will also be updated to meet ADA standards.

Engineering design in 2006 for \$55,000 will allow the coordinated replacement of twelve air-handling units at the courthouse in 2007 and 2008. A new two-year project with 2006 funding \$64,000 will assure that highway substations remain in compliance with Wisconsin salt storage requirements. A short-term building project of \$105,000 will address additional cooling capacity needs of additional computer equipment added to the existing computer room space. A longer-term solution will be studied for the future.

Highways

The 2006 capital budget for roadways continues priorities established in six categories and includes projects in all categories to provide a balanced plan. Projects and funding priorities are identified below.

Bridges/Culverts	The existing culvert replacement program continues with an annual appropriation of \$100,000. Funding of \$100,000 for right of way acquisition and \$34,000 for design are part of projects to replace two bridges over the Fox River. Funding of \$160,000 is included to provide assistance to municipalities for the replacement of large drainage structures.
Spot Improvements	This area includes costs of \$800,000 to address intersection improvements at three locations including traffic signals and turn lanes to improve safety and reduce traffic delays. Funding of \$30,000 will complete LED indications at all existing signal faces. A study for \$200,000 will address conceptual plans and cost estimates to extend SR and provide a railroad grade separation on CTH K in conjunction with the closure of Weyer Road.
Repaving	A funding level of \$2.19 million is proposed for repaving.
Rehabilitation	One rehab project of 4.35 miles in length on CTH O (Moorland Road) from CTH I to STH 59 receives construction funding of \$4,125,000 in 2006 with \$1,100,000 planned in 2007 to complete the project. The project will address pavement conditions, add a third driving lane, update traffic signals and address the condition of the storm sewer system. The pavement condition index ranges from 23 to 68 on this roadway.
Priority Corridors	Three projects address major through routes in the County including CTH Q (in parts of Village of Menomonee Falls and the Town of Lisbon), CTH Y (Racine Avenue in the City of New Berlin) and CTH X (St. Paul Avenue in the City and Town of Waukesha) for total 2006 funding of \$9.8 million. This includes \$7.2 million of construction funding to reconstruct 1.0 mile to a multi-lane section and reconstruct 2.3 lanes of CTH Q. A second project to reconstruct 1.3 miles of CTH Y (Racine Ave) continues in 2006 with a second year of land acquisition costs of \$2.1 million. A third project to reconstruct 1.8 miles of CTH X continues in 2006 with additional design funds of \$519,000.

Airport

No projects in this area for 2006 Budget.

General Administration

A multi-year effort to add and expand imaging applications throughout the County is completed in 2006 with \$90,000. The project will enhance integration with existing County systems to provide consistent record retention scheduling regardless of media type. Annual hardware and software maintenance cost increases will be identified as Department projects are implemented.

The collection system upgrade project for \$250,000 receives additional funding of \$45,000 for the development of an interface with the Health and Human Services billing system. This will increase the timeliness of account receivable referrals.

County Wide Projects

End User Operations Technology fund balance of \$150,000 will allow a study and design of new technologies to increase the interoperability between government entities and preparing the county for wireless broadband capability. The technologies to be considered include fiber optic cable, Wi-Max and Wi-Fi transmission and receiving. This initiative is contingent on receiving grant funding.

Additional project funding of \$225,000 will provide the County with an enterprise-wide cashing solution. New funding in 2006 will evaluate the feasibility of electronic document imaging. The 2006 budget includes an additional \$145,000 investment in its technology infrastructure to expand the CITRIX server environment. A telecommunications initiative for \$250,000 will plan and implement an upgrade to the County's infrastructure to allow for transition to Voice Over Internet Protocol (VOIP) and possible integration with Wi-Fi technology. A project to re-engineer Information technology infrastructure begins in 2006 with an analysis for \$100,000. A project for \$105,000 is also included to review and reduce the complexities of the operating environment, including the e-mail system.

Revenues

Revenues funding projects decrease \$5.6 million from the 2005 budget to \$4.3 million. This includes an estimated decrease of the State payment for personal property tax exemption for computers by \$200,000 to \$600,000. State transportation aids are reduced \$400,000 from \$600,000 to \$200,000 with \$400,000 budgeted in the Highway budget for operations. County Highway Improvement (CHIPS) revenue decreases by \$1,145,000 reflecting receipt of this revenue every other year. New funding includes SACWIS (State Human Service technology) at \$50,000 and Stewardship grant of \$306,600 for park trail development.

Continued use of proprietary fund balances for specific projects in 2006 include \$45,000 of Collections fund balance; \$300,000 of End User Operations Technology fund balance; \$215,000 of Records Management fund balance and \$250,000 of Telecommunications fund balance.

Use of fund balances totals \$3,000,000, a decrease of \$2.9 million in the 2006 capital budget from the prior year budget. The Capital budget is funded using a \$2.0 million loan from the Material Recycling Fund balance, \$250,000 of General fund balance, and \$50,000 of Capital Project fund balance.

Borrowed funds are budgeted at \$12 million, a decrease of \$2.4 million from the 2005 adopted budget level of \$14.4 million. Borrowing is reduced from the previous approved 2005 plan year of \$16.0 million, reflecting the loan from the Material Recycling Fund and a reduced overall capital budget. Investment income is budgeted at \$525,000, a decrease of \$75,000 due a smaller bond issue in 2006. Property tax levy funding decreases \$504,400 reflecting a reduced capital budget.

OPERATING IMPACTS BY FUNCTIONAL AREA**Justice and Public Safety**

The Justice expansion project opened in October 2005 and provides an additional 278 beds with a 2006 operating budget of \$2.6 million. This includes a 2006 tax levy increase of nearly \$1.4 million. The second phase to construct of the Justice Facility will include a new courts building that may be completed in 2010. Operating costs for this phase are projected to range from \$350,000 to \$650,000 per year depending on the design option selected.

Park, Environment, Education and Land Use

A bikeway expansion project has annual operational and maintenance costs estimated to cost \$1,000 per mile, or approximately \$5,000 annually per year beginning in the year 2007. The energy efficiency updates at the Expo Center are designed to lower utility costs and maintenance work is designed to prevent more costly repairs and maintenance. The aging parks facilities maintenance buildings at Menomonee and Muskego Parks have poor energy efficiencies and functionality for the occupants and park users. Updating these structures is expected to result in more usable space along with reduced utility costs. Annual planned replacement of pavement prevents the need for excessive costly repairs.

Public Works

The County owns UW-Waukesha facilities while the State University System funds operational costs and movable equipment. The 12 air handling unit replacements will address capacity and provide higher operating efficiencies for equipment and staff.

Highways

Annual operating costs for a signalized intersection are estimated at \$5,000 each. A project to complete LED indications at all existing signal faces is expected to generate 10% annual savings in energy costs. Since 1998, the County has used a pavement management program. The repavement program goal is to achieve an average Pavement Condition Index (PCI) rating of 70 with less than 10% of roads under a PCI of 40. Since 1998, the overall average PCI rating of all County Trunk highways has improved from 60.6 in 1998 to a current 66.0 for 2004. The County follows Wisconsin Department of Transportation guidelines for bridge replacement. A structure replacement is warranted when the sufficiency number drops below 50 and structure rehabilitation is warranted when the sufficiency number drops below 80. The Engineering division continues to work to maintain an average sufficiency index ratings of 80 for all county bridges.

General Administration

The imaging applications project will enhance integration with existing County systems to provide consistent retention scheduling regardless of media type. Annual hardware and software maintenance cost increases will be identified as Department projects are implemented. The collection system upgrade project for the development of an interface with the Health and Human Services billing system will increase the timeliness of account receivable referrals.

County Wide Projects

An enterprise-wide cashiering solution is expected to provide "back office" functionality which would automatically update diverse "stand alone" Accounts Receivable systems and interface with the County's central financial system. This includes electronic recording of real estate documents recently allowed with recent changes in federal and state laws. The project will accommodate e-Commerce, improve processing efficiencies, standardize cash handling and allow for better management of County funds. It is expected to replace all or most of the identified existing systems, which are exceeding the extended, planned useful life. Licensing fees for additional users are projected at \$5,000 each to be allocated by user areas along with estimated annual maintenance fees at a cost of \$750 annually.

The CITRIX server environment provides technology cost savings due to a transition to a lower cost terminal server device, avoidance of PC upgrades requiring processor speeds, lower personnel support costs, increased portability while enhancing security.

Overall telecommunications infrastructure costs are expected to decrease as the County moves from a two separate wiring systems (one for voice and one for data) to a single dual connection.